

# The Market for Highly Processed Food and Drink: Driving Children's Diets



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## Diets dominated by highly processed products are driving the rise in childhood overweight and obesity in the Philippines.

Childhood overweight and obesity, while still relatively low in the Philippines, is rapidly rising. Nearly one in ten children aged 11-19 years currently suffers from overweight or obesity.<sup>1</sup> Traditional diets are being replaced by modern diets, based on refined grains, meat and an abundance of highly processed food and drink. These are products that have undergone a series of industrial modifications to make them tasty, attractive and with a long shelf-life. They are energy-dense, contain unhealthy types of fat, refined starches, free sugars and salt, and are poor sources of protein, dietary fibre, and essential vitamins and minerals.<sup>2</sup>

### Analysis of Sales

UNICEF has conducted an analysis of Euromonitor International marketing reports to assess the trends in sales of highly processed food and drink in the Philippines. Different categories of products and services associated with the sale of these products were examined.

CATEGORIES	SERVICES
Soft drinks	Fast food outlets
Sweet snacks	Street kiosks
Savoury snacks	Cafés and bars
Milk formula	

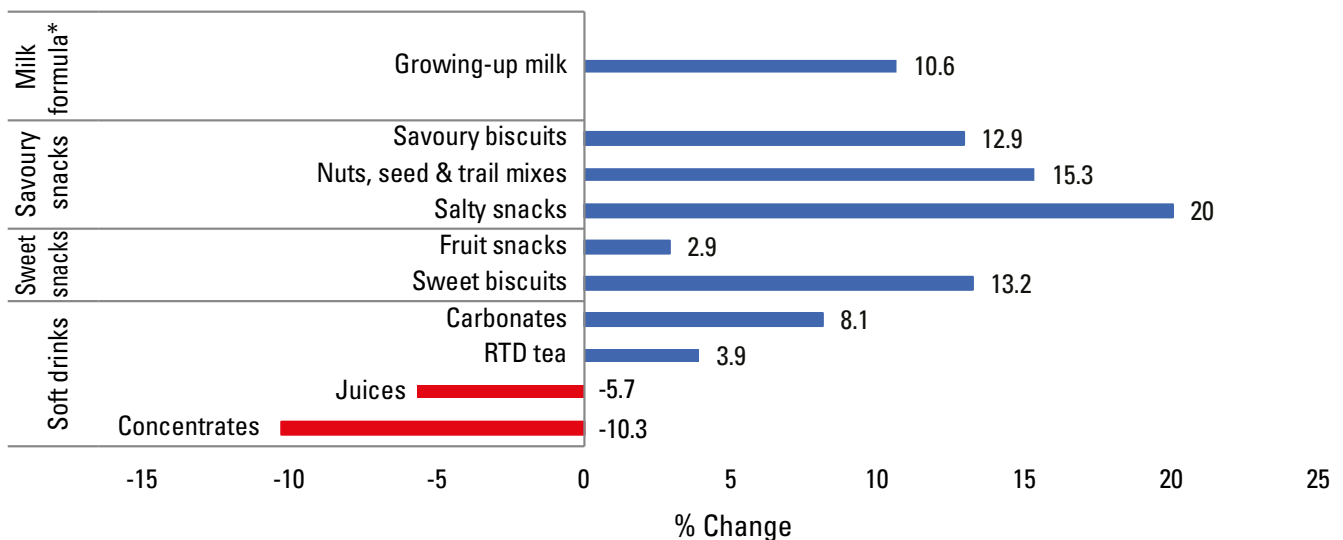
# Findings of the Analysis

## 1 The sale of highly processed products is growing in the Philippines.



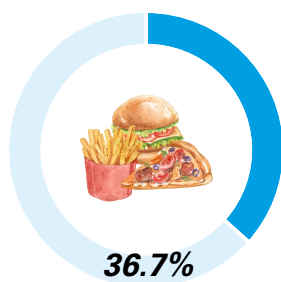
Sales, in volume and value, have grown over a five year period up to 2019 for all highly processed products analysed with the exception of juices and concentrates. There has also been a significant increase in transactions and value of sales from fast food outlets with burgers making up 58% of all fast food transactions.

Percentage change in per capita sales, 2014-2019

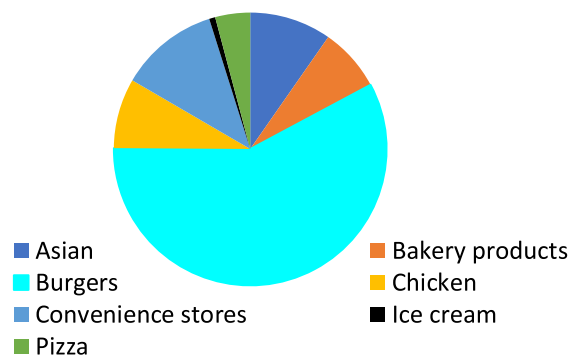


\*Based on per capita of under five population

Percentage increase in number of fast food transactions, 2012-2017



Fast food number of transactions by type, 2017



## 2 Children and young consumers are targeted by companies.

Euromonitor International reports that companies market specifically to children and have identified young consumers as a growing customer base. They are modifying their strategies to cater for this group by creating products and surroundings that appeal to young people and that are 'instagrammable'.

### 3 Companies are responding to consumer demand for healthier food and drink by modifying their products but many of these products remain unhealthy.

Euromonitor International notes that consumer demand for healthier products has stimulated companies to adapt their product portfolios to include 'healthier' preparation practices and more 'natural' and organic ingredients. Despite this, there are many examples of products that are marketed as 'nutritious' although they are high in energy, sugar, fat and/or salt.

<b>Marketing Strategies</b>	<b>Examples</b>
<p><b>Soft drinks</b> <i>marketed as healthy alternatives.</i></p>	<p>Flavoured water marketed as not too sweet and not too bland which contains 20g sugar in a 250ml bottle (equivalent to 40% of the WHO recommendation for 'free sugars' per day).<sup>3</sup></p>
<p><b>Sweet snacks</b> <i>marketed as good sources of healthy nutrients.</i></p>	<p>Nutribars marketed as a good source of fibre, cholesterol free and with no trans fat which contain 10g sugar in a 30g bar (equivalent to 20% of the WHO recommendation for 'free sugars' per day).<sup>3</sup></p>
<p><b>Savoury snacks</b> <i>marketed to appeal to children.</i></p>	<p>Nut and seed snack mix in a 100g packet with cartoon characters contains 533kcal (over a quarter of total 2,000 kcal energy required per day for an adult),<sup>4</sup> of which half comes from total fat (in excess of the WHO recommended 30% of total energy intake)<sup>5</sup> and 766mg sodium (equivalent to 38% of the WHO recommendation for salt intake per day).<sup>6</sup></p>
<p><b>Fast food outlets</b> <i>marketing meals to children that are very high in sugar, fat and salt.</i></p>	<p>Popular fast food outlets serve a typical meal of burger, small fries and a soft drink that contains 74g sugar (in excess of the 50g recommendation for 'free sugars' per day),<sup>3</sup> 1195mg sodium (equivalent to 60% of the WHO recommendation for salt intake per day)<sup>6</sup> and 12g of saturated fat (equivalent to 55% of the WHO recommended total daily intake of 22g).<sup>5</sup></p>
<p><b>Street kiosks</b> <i>marketing drinks particularly popular with children.</i></p>	<p>Milk teas that typically contain in one serving 34g sugar (equivalent to 68% of the WHO recommendation for 'free sugars' per day)<sup>3</sup> and 261kcal (equivalent to 13% of total 2,000 kcal energy required per day for an adult).<sup>4</sup></p>

### 4 Government legislation has had some success in reducing sales of highly processed products.

Though the sale of soft drinks is on the rise, the introduction of the tax on sweetened beverages in 2018<sup>8</sup> coincided with a dip in sales. This was particularly noticeable for carbonated drinks. Furthermore, the series of new ordinances in several cities and municipalities that prohibited the selling and promotion of unhealthy food and beverages to students inside and near public and private school premises has reduced the market for some types of sweet and savoury of biscuits.

## **5 The Philippines does not yet have strong regulations in place to control the sale and marketing of highly processed food and drink especially to children.**

The present regulations provide a starting point but require to be strengthened in order to reduce the promotion of highly processed food and drink to children in the Philippines.

### ***Recommendations***

1. Strengthen national legislation to control the marketing of breast-milk substitutes and promote breastfeeding.
2. Introduce clear front-of-pack labelling especially for foods that are consumed by children.
3. Build on consumer demand and preference for healthy eating, especially among children and adolescents.
4. Introduce robust restrictions to reduce the harmful impact of marketing of unhealthy foods to children.
5. Introduce menu labelling for purchased foods in all restaurants especially fast food restaurants.
6. Ensure that the formulation and implementation of policy and regulations to control the sale and marketing of food and drink are free from the influence of the food industry.

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<sup>1</sup> DOST-FNRI. Philippine Nutrition Facts and Figures 2015: Anthropometric Survey.

<sup>2</sup> Monteiro CA, Cannon G, Moubarac JC, Levy RB, Louzada MLC, Jaime PC. The UN decade of nutrition, the NOVA food classification and the trouble with ultra-processing. *Public Health Nutr.* 21(1):5-17). 2018.

<sup>3</sup> WHO. Sugar intake for adults and children: Guideline. 2015.

<sup>4</sup> FAO/WHO/UNU Expert Consultation. Energy and protein requirements. 1991.

<sup>5</sup> FAO. Fats and fatty acids in human nutrition: report of an expert consultation. FAO Food and Nutrition Paper 91. Rome 2010.

<sup>6</sup> WHO. Sodium intake for adults and children: Guideline. 2012.

<sup>7</sup> WHO. Guidelines: Saturated fatty acid and trans-fatty acid intake for adults and children. Geneva. Draft issued for public consultation. 2018.

<sup>8</sup> Philippines Republic Act 10963: Tax Reform for Acceleration and Inclusion (TRAIN) Law Section 47. 2018.